

GOVERNMENT DOCUMENTS:

FCC MEDIA OWNERSHIP RULES: CURRENT STATUS AND ISSUES FOR CONGRESS

Charles B. Goldfarb. Congressional Research Service (CRS). August 3, 2006. 46 pages.

<http://fpc.state.gov/documents/organization/71875.pdf>

“On June 2, 2003, the Federal Communications Commission (FCC) modified five of its media ownership rules, easing restrictions on the ownership of multiple television stations (nationally and in local markets) and on local media cross-ownership, and tightening restrictions on the ownership of multiple radio stations in local markets. The new rules have never gone into effect. Bills (H.R. 1622, H.R. 2359, H.R. 3302) have been introduced in the 109th Congress that would revise several of the media ownership rules or impose explicit public interest requirements.”

RESEARCH CENTER AND THINK TANK DOCUMENTS:

HAS THE INTERNET INCREASED TRADE?

George R.G. Clarke and Scott J. Wallsten. American Enterprise Institute (AEI). August 24, 2006. 41 pages.

http://www.aei.org/docLib/20060824_InternetAgg.pdf

“Developing countries export more to developed, but not other developing, countries, when internet penetration is higher. Although this could be because internet penetration stimulates exports, it could also be because trade openness encourages internet use. To test the direction of causation, the authors allow internet use to be determined endogenously using countries’ regulation of data services as an instrument. The results suggest that access to the internet does improve export performance in developing countries, although not in developed countries. In other words, improving internet access in a developing country will stimulate exports from that country to rich countries.”

TOWARD PROPERTY RIGHTS IN SPECTRUM: THE DIFFICULT POLICY CHOICES AHEAD

Dale Hatfield and Phil Weiser. Cato Institute. Policy Analysis no. 575. August 17, 2006. 20 pages.

<http://www.cato.org/pubs/pas/pa575.pdf>

“Defining rights to use spectrum is far more difficult than ordinarily suggested. Problems such as geographic spillover and adjacent channel spillover make it much more difficult to define rights to spectrum and to determine how to measure when those rights have been transgressed. Unlike the case of real property, which is measured in two or three dimensions, there are as many as seven dimensions by which electromagnetic frequency can be measured, and the best way to measure these dimensions remains unsettled. Many decisions remain, such as whether to use statistical models of radio wave propagation, actual measurement of interference, or some combination of the two to determine the scope of rights in spectrum. More careful analysis is needed to determine what type of property regime will operate effectively to govern rights in spectrum. A number of questions must be answered for a transition to a property rights regime to be successful.”

CONSEQUENCES OF VERTICAL SEPARATION AND MONOPOLY: EVIDENCE FROM THE TELECOM PRIVATIZATIONS

Bruno E. Viani. AEI-Brookings Joint Center for Regulatory Studies. Working Paper 06-20. August 2006. 34 pages.

<http://www.aei.brookings.org/admin/authorpdfs/page.php?id=1318>

“Two common policy instruments used by governments around the world to increase the availability of basic telephony (i.e., local, long distance, and international service) have been: (1) award monopoly rights on basic services to cross-subsidize residential local telephony; and (2) separate vertically (i.e., structural separation) the owner of the local fixed network from the provider of long distance or international telephone services. The author uses data from a panel of 67 countries during the seven years following the privatization of the telephone monopoly and find that contrary to wide spread beliefs: (1) monopoly on basic services is not associated with lower residential telephony prices; quite the opposite, monopoly increases residential local prices; (2) monopoly does not help universal service provision and lowers the use of international telephony; and (3) mandatory vertical separation reduces international telephony usage and the number of fixed lines in service. In summary, monopoly and vertical separation harm those consumers that were precisely designed to help: the downstream (business) users of international telephony and the upstream users of residential local telephony.”

NUTS AND BOLTS OF NETWORK NEUTRALITY

Edward W. Felten. AEI-Brookings Joint Center for Regulatory Studies. Related Publication 06-23. August 2006. 14 pages.

<http://www.aei.brookings.org/admin/authorpdfs/page.php?id=1319>

“Proponents of neutrality regulation argue that the free, innovative Internet of today is threatened and government action is needed to protect it. Opponents argue that regulation is not needed, or will be flawed in practice, or is a bad idea even in principle. One of the reasons the network neutrality debate is so murky is that relatively few people understand the mechanics of network discrimination. In reasoning about net neutrality it helps to understand the technical motivations for discrimination, the various kinds of discrimination and how they would actually be put into practice, and what countermeasures would then be available to users and regulators.”

THE DIGITAL ECONOMY FACT BOOK, EIGHTH EDITION

Thomas M. Lenard and Daniel B. Britton. The Progress & Freedom Foundation. August 2006. 135 pages.

http://www.pff.org/issues-pubs/books/factbook_2006.pdf

“This Eighth Edition of The Digital Economy Fact Book is dedicated to providing a factual basis from which analysis of the digital economy can begin. It seeks to sort out the myths from the realities, the hyperbolic hopes from the sober projections. In seven key sections, it presents the best available information on: The Growth of the Internet; The Hardware Sector; The Communications Sector; Digital Media; Electronic Commerce; Threats to the Digital Economy; The Digital Economy.”

THE FCC ASKS THE RIGHT QUESTIONS ON USF

Raymond Gifford and Thomas Lenard. The Progress & Freedom Foundation. Progress Snapshot 2.20. August 2006. 2 pages.

http://www.pff.org/issues-pubs/ps/2006/ps_2.20_fcc_on_usf.pdf

“Last week, the FCC in a Public Notice took the bold step of asking whether “reverse auctions” might be used to reform the High-Cost-Fund subsidy program. Chairman Martin and the Commission are to be

commended for exploring this very important idea for bringing rural consumers lower costs, more competition and greater innovation.”

SAVING ONLINE FREE SPEECH: A VOLUNTARY CODE OF CONDUCT FOR INTERNET OPERATORS

Adam Thierer. The Progress & Freedom Foundation. Progress Snapshot 2.19. August 2006. 3 pages.

http://www.pff.org/issues-pubs/ps/2006/ps_2.19_conduct_net_ops.pdf

“What is needed is a voluntary code of conduct for companies doing business online. This code of conduct, or set of industry “best practices,” would be based on a straight-forward set of principles and policies that could be universally adopted by the wide variety of operators mentioned above. These principles and policies, which could take the form of a pledge to parents and consumers, must also be workable throughout our new world of converged, cross-platform communications and media.”